GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:2219
ANSWERED ON:03.12.2007
MSP FOR CROPS
Bishnoi Shri Kuldeep

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government proposes to bring some other agro-products like banana, coconut, onion, tomatoes and potatoes under MSP scheme;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) the steps taken by the Government to bring the rapidly perishable products like tomatoes, potatoes, coconut and onion etc. under MSP scheme in order to protect the farmers against the heavy loss caused in case of excess production thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a) to (d): The Government fixes Minimum Support Prices (MSPs) for 25 major crops. It has no proposal to bring other agro-products like banana, onion, tomatoes and potatoes under the MSP scheme.

Government implements Market Intervention Scheme (MIS) on the request of a State/UT Government for procurement of agricultural and horticultural commodities not covered under the MSP. The MIS is implemented in order to protect the growers of these commodities from making distress sale in the event of bumper crop when the prices tend to fall below the economic level/cost of production. Losses, if any, incurred by the procuring agencies are shared by the Central Government and the concerned State Government on 50:50 basis (75:25 in case of North-Eastern States). However, the amount of loss to be shared between Central Government and the concerned State Government is restricted to 25% of value of procurement. Profit, if any, earned by the procuring agencies is retained by them.